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### **Progress Report**

#### Introduction

The Central Register of Establishments (CRE) is a computerized register of establishments maintained by the Census and Statistics Department (C&SD) of Hong Kong, China. The CRE was firstly developed in 1980 and was re-designed in 1988.

#### Overview of the CRE

- 2. The CRE is a database containing records of business establishments in Hong Kong. Currently, the CRE has about 550,000 establishment records of which 350,000 are active establishments having employment.
- 3. The data fields of the CRE cover a wide range of information pertaining to individual establishments including establishment name, physical address, mailing address, type of business activity, employment size, type of ownership, operating status, date of commencement, date of business registration and contact information such as name of contact person, telephone number, fax number, etc.

### **Definition of an establishment**

4. An establishment in the CRE is an economic unit (i.e. a unit engaged in the production of goods or services) which engages, under a single ownership or control (i.e. under a single establishment name), in one or predominantly one kind of economic activity at a single physical location.

# **Applications**

- 5. The CRE mainly serves as a basic sampling frame for establishment-type surveys conducted by C&SD. Samples of specific groups of establishments can be selected as required.
- 6. According to the provisions of the Census and Statistics Ordinance (CAP.316), non-confidential information of four items of particulars viz. name, address, type of business and employment size of individual establishments kept in the CRE can be supplied to the general public and other government departments.
- 7. As a matter of practice, a sample listing containing 20% of the records randomly selected from the CRE at a quarterly interval is made available to prospective users at a charge for conducting surveys and business promotion. The supply of a sample listing, rather than a full listing, helps reduce the scope of possible abuses or misuses of the full listing. A 20% sample is expected to be large enough to meet the purposes of market research or business promotion for prospective users.
- 8. Moreover, the C&SD is planning to broaden the usage of the CRE to facilitate business activities in the private sector. Plan is in hand to provide a CRE matching service for extraction of non-confidential information from the CRE.

### **Updating Sources and Processes**

9. The CRE updating sources of the CRE can be broadly classified into two categories, i.e. administrative records and survey data.

#### Administrative Records

- 10. The Business Registration Office (BRO) of the Inland Revenue Department is a primary updating source of the CRE which provides information on business registrations to the C&SD on a regular basis.
- 11. The information on new business registrations (with basic information on name, address and business registration number) is received from the BRO on a regular basis. Upon receipt of these new business records, questionnaires will be sent to these new establishments to collect data on their particulars, including type of business, employment size, telephone number, contact person, etc. Late and non-response cases will be followed up by field visits. After completion of data collection, new establishments which are confirmed active (in respect of having employment) will then be inserted into the CRE.
- 12. Moreover, the BRO also passes on amendment and deletion records of business registrations to C&SD on a regular basis. The information will be used to update the basic particulars (e.g. name and address amendment) and the operating status (e.g. closure cases) of the existing establishments in the CRE directly.
- 13. Besides, supplementary information is also obtained regularly from other government administrative records such as lists of schools from the Education Department, taxi licenses from the Transport Department, and welfare institutions from the Social Welfare Department for updating the CRE.

## Survey Data

- 14. Apart from using the CRE as a sampling frame, the establishment surveys conducted by C&SD also feed back information to update the existing establishments in the CRE, such as the data fields of type of business, employment size and operating status of individual establishments.
- 15. Among these surveys, the Quarterly Survey of Employment and Vacancies (SEV), which has a large sample of 70 000 establishments, is the major vehicle for updating CRE.

Under the SEV sampling scheme, part of the sampling units (about 20 000 to 30 000 establishments) are selected in each quarter for updating information regarding the 'industry' which the establishment is engaged in. Normally, it takes about three years for the SEV to complete one updating cycle for all active establishments in the CRE.

### Coverage

- 16. The CRE basically covers most establishments engaged in the major economic activities classified under the Hong Kong Standard Industrial Classification. They include ordinary business establishments, semi-government bodies and non-profit making organisations.
- 17. Owing to operational constraints and some practical considerations, some types of establishments are <u>not</u> included in the CRE. They are listed below:

Industry sector	Type of establishments not covered
1	Agriculture and fishing (entire sector)
6	Hawkers and retail pitches other than market stalls; Canteens in plants/offices/schools, etc.
9	Religious organizations; Funeral parlours; Dance halls; Mahjong schools; Massage/bath parlours, etc.

#### **Recent Developments**

- 18. With the wide-spread establishment of information technology and telecommunications companies in Hong Kong in recent years, the Hong Kong Standard Industrial Classification (HSIC) has been enhanced to provide a more refined and up-to-date classification framework. The enhanced code set has been adopted in the activity codes of establishment records in the CRE recently.
- 19. The CRE adopts the HSIC for business activity classification in order to maintain a high capability of meeting local data needs specific to the economic structure of the local economy, while following international recommendations in broad terms. Notwithstanding this, to further enhance comparability of official statistics with other economies, finer linkage of the HSIC is being established with the United Nations' International Standard Industrial Classification of All Economic Activities, Third Revision (ISIC Rev.3) to facilitate broad conversion of economic statistics based on HSIC to those based on ISIC Rev.3.
- 20. On-line read-only service has been provided to users in C&SD sections via local area network. Users in C&SD sections which are located in remote offices can access the information of individual establishments in the CRE conveniently and efficiently.
- 21. To facilitate compilation of statistics on small and medium size enterprises (SME), the relationship of establishments in the CRE has been made use of in the compilation of enhanced SME statistics. With this, large establishments, though each on itself is of small and medium size, can be totally excluded from the counting of small and medium enterprises.

## Conclusion

22. The C&SD will continue to maintain and enhance the CRE with a view to providing more comprehensive, accurate and up-to-dated information on establishments. Also, it will explore the ways to broaden the usage of the CRE in the public and private sectors and enhance the system performance of the CRE using advanced IT technology.